GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2690
ANSWERED ON:21.03.2005
COMMITTEE FOR STRENGTHENING CO-OPERATIVE FINANCING
Badiga Shri Ramakrishna;Kushwaha Shri Narendra Kumar;Tripathy Shri Braja Kishore

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Committee for Strengthening Co-operative Financing Institutions has submitted its report to the Government;

(b) if so, the details of the recommendations made by the said committee;

(c) the details of the recommendations implemented by the Government so far;

(d) whether the Government proposes to announce any package for revival of such societies;

(e) if so, the details in this regard; and

(f) the number of societies running in losses in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (shri kanti lal bhuria)

(a): The Government had constituted a Task Force under the Chairmanship of Prof. A. Vaidyanathan for revival of co-operative credit institutions in August, 2004. The Task Force has submitted its Report on 15th February, 2005.

(b): The Task Force has recommended a financial package of Rs. 14,839 crore for the credit co- operative institutions. The package covers accumulated losses, unpaid invoked guarantees, receivables from State Governments, return of share capital to State Governments, Human Resources Development, conduct of special audits, computerization, implementation costs etc. Provision of financial assistance is linked to reforms in co-operative sector.

(c) to (e): Recommendations of the Task Force have been accepted by the Government in Principle for implementation.

(f): As informed by the National Bank for Agriculture & Rural Development (NABARD), 53,626 Primary Agriculture Credit Societies are running at loss as on 31st December, 2004.